

COUNTY COUNCIL
OF
HARFORD COUNTY, MARYLAND

Bill No. 08-19

Introduced by: Council President Boniface at the Request of the County Executive

Legislative Day No. 08-07 Date: March 11, 2008

A BILL to provide the County Executive with the authorization to execute, on behalf of Harford County, Maryland (the "County"), one or more agreements (including, but not limited to, purchase agreements, lease-purchase agreements and lease-lease back agreements) (collectively, the "Financing Agreements") approved by administrative resolution of the County Council of Harford County, Maryland (the "County Council"), for the financing of the acquisition, construction and/or renovation of certain improvements to the real property located at 125 S. Main Street, 119 Hayes Street, 45 S. Main Street and 220 S. Main Street in Bel Air, Maryland (the "Projects"). Providing that the aggregate principal amount of such financing shall not exceed Eighty-Two Million Dollars (\$82,000,000) plus interest; providing that financing for the Projects to be acquired, constructed and/or renovated may be obtained through one or more competitive bids and/or negotiated sales; providing that the County Council may adopt one or more administrative resolutions that shall provide for additional details incident to the financing of the acquisition, construction and/or renovation of the Projects; and provided further, that the County's obligation to make payments under any Financing Agreements shall upon approving resolution of the County Council be subject to annual appropriation by the County Council and shall not constitute debt of the County nor in any way constitute a pledge of the full faith and credit or the general tax revenues, funds, or moneys of the County; and generally providing for and determining various matters in connection with the financing of the acquisition, construction and renovation of the Projects.

By the Council, March 11, 2008

Introduced, read first time, ordered posted and public hearing scheduled

on: April 8, 2008

at: 6:30 p.m.

By order: Barbara J. O'Connor, Council Administrator

PUBLIC HEARING

Having been posted and notice of time and place of hearing and title of Bill having been published according to the Charter, a public hearing was held on _____, and concluded on _____.

_____, Council Administrator

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW. [BRACKETS] indicate matter Deleted from existing law. Underlining indicates Language added to bill by amendment. Language Lined through indicates matter stricken out of Bill By amendment.

1 WHEREAS, the County Executive proposes that Harford County, Maryland (the
2 “County”) enter into one or more agreements (including, but not limited to, purchase agreements,
3 lease-purchase agreements and lease-lease back agreements) (collectively, the “Financing
4 Agreements”) for the financing of the acquisition, construction and/or renovation of certain
5 improvements to real property for the use of the County as follows: the construction of a building
6 to be located at 125 S. Main Street, Bel Air, Maryland for use as a new County Government
7 Services Building; demolition of the existing building located at 119 Hayes Street, Bel Air,
8 Maryland and construction thereon of a new building; renovation of a building located at 45 S.
9 Main Street, Bel Air, Maryland; and renovation of a building located at 220 S. Main Street, Bel
10 Air, Maryland, all in Harford County, Maryland (collectively, the “Projects”), such financing to
11 be in an aggregate principal amount not to exceed Eighty-Two Million Dollars (\$82,000,000)
12 plus interest; and

13 WHEREAS, the financing for the acquisition, construction and/or renovation of the
14 Projects, including contingencies, costs of closing and costs of issuance, will be provided
15 through certificates of participation (the “Certificates of Participation”) issued pursuant to a
16 Certificate of Participation Trust Indenture to be executed by the County and an indenture trustee
17 (the “COP Trust Indenture”), under which the indenture trustee will acquire an interest in the
18 County’s annual payments under the Financing Agreements; and

19 WHEREAS, the original aggregate principal amount of the Certificates of Participation
20 shall not exceed Eighty-Two Million Dollars (\$82,000,000) plus interest; and

21 WHEREAS, the County Executive proposes that he and such other County officials as he
22 may require be given the authority to execute the Financing Agreements, the COP Trust

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1 Indenture and any other documentation as shall be necessary or appropriate to effect the
2 financing of the Projects and the acquisition, construction and/or renovation thereof (the
3 "Documents") on behalf of the County; and

4 WHEREAS, certain details of the Certificates of Participation and additional details
5 incident to the financing of the acquisition, construction and/or renovation of the Projects shall
6 be approved by administrative resolution of the County Council of Harford County, Maryland
7 (the "County Council"); and

8 WHEREAS, the County expects that all or a part of the capital expenditures for the
9 Projects will be paid prior to the issuance of the Certificates of Participation and reasonably
10 expects to reimburse a portion of the capital expenditures for the Projects with proceeds of the
11 Certificates of Participation in the maximum principal amount of Eighty-Two Million Dollars
12 (\$82,000,000) plus interest.

13 NOW, THEREFORE:

14 SECTION 1. BE IT ENACTED BY THE COUNTY COUNCIL OF HARFORD
15 COUNTY, MARYLAND that, acting pursuant to the authority of the Charter, the Code and the
16 laws of the State of Maryland, Harford County, Maryland (the "County") hereby authorizes and
17 approves the acquisition, construction and/or renovation of the Projects and the financing thereof
18 through the issuance of the Certificates of Participation, which shall not exceed Eighty-Two
19 Million Dollars (\$82,000,000) plus interest.

20 SECTION 2. BE IT FURTHER ENACTED BY THE COUNTY COUNCIL OF
21 HARFORD COUNTY, MARYLAND that the County Executive be, and he and such other
22 County officials as he may require are, hereby authorized to execute, on behalf of the County,
23 the Documents.

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1 SECTION 3. BE IT FURTHER ENACTED BY THE COUNTY COUNCIL OF
2 HARFORD COUNTY, MARYLAND that the Documents shall provide for the financing of the
3 acquisition, construction and/or renovation of the Projects, to be used in connection with the
4 operations of the County, through the issuance of the Certificates of Participation, the original
5 aggregate principal amount of which shall not exceed Eighty-Two Million Dollars
6 (\$82,000,000).

7 SECTION 4. BE IT FURTHER ENACTED BY THE COUNTY COUNCIL OF
8 HARFORD COUNTY, MARYLAND that the Certificates of Participation shall be sold either
9 by competitive bid or negotiated sale, at the discretion of the County Executive.

10 SECTION 5. BE IT FURTHER ENACTED BY THE COUNTY COUNCIL OF
11 HARFORD COUNTY, MARYLAND that certain details of the Certificates of Participation
12 shall be approved by the County Council by administrative resolution.

13 SECTION 6. BE IT FURTHER ENACTED BY THE COUNTY COUNCIL OF
14 HARFORD COUNTY, MARYLAND that the obligation of the County to make payments
15 pursuant to the Financing Agreements, including, without limitation, any payments in the nature
16 of, or characterized as, principal and interest on the Certificates of Participation, shall be subject
17 to appropriation by the County in each and every year that the Financing Agreements are
18 outstanding and in effect and shall not constitute a current expense of the County, shall not be
19 construed as a debt of the County, nor shall the County's obligation to make payments in any
20 way constitute a pledge of the full faith and credit or general tax revenues, funds or moneys of
21 the County.

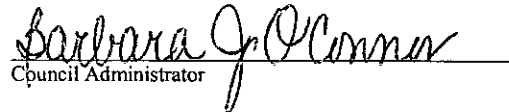
22 SECTION 7. BE IT FURTHER ENACTED BY THE COUNTY COUNCIL OF
23 HARFORD COUNTY, MARYLAND that pursuant to Treasury Regulations 1.150-2, governing

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1 reimbursement of expenditures paid prior to the issuance of obligations, and as permitted by
2 Treasury Regulations 1.150-2(e)(1), the County reasonably expects to reimburse a portion of the
3 capital expenditures for the Projects with proceeds of the Certificates of Participation, in the
4 maximum principal amount of Eighty-Two Million Dollars (\$82,000,000).

5 SECTION 8. AND BE IT FURTHER ENACTED BY THE COUNTY COUNCIL OF
6 HARFORD COUNTY, MARYLAND that this Act shall take effect sixty (60) calendar days
7 from the date it becomes law.
8 EFFECTIVE:

The Council Administrator of the Council does hereby
certify that fifteen (15) copies of this Bill are immediately
available for distribution to the public and the press.


Council Administrator

HARFORD COUNTY BILL NO. 08-19

Brief Title Financing – Administration Building

is herewith submitted to the County Council of Harford County for enrollment as being the text as finally passed.

CERTIFIED TRUE AND CORRECT

ENROLLED

Council Administrator _____

Council President

Date May 13, 2008

Date May 13, 2008

BY THE COUNCIL

Read the third time.

Passed: LSD 08-13

Failed of Passage: _____

By Order

Council Administrator

Sealed with the County Seal and presented to the County Executive for approval this 14th day of May, 2008 at 3:00 p.m.

Council Administrator

BY THE EXECUTIVE

COUNTY EXECUTIVE

APPROVED: Date _____

BY THE COUNCIL

This Bill No. 08-19 not having been considered on final reading within the time required by Charter, stands failed for want of consideration on May 13, 2008